IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO.917 OF 2004

The Commissioner of Income Tax .. Appellant.

V/s.

Niphad SSK Ltd., Bhausaheb Nagar .. Respondent.

Mr.B.M. Chatterjee with Mrs.P.P. Bhosale i/by Pankaj Kapoor for the appellant.

Mr.S.N. Inamdar with Mr.A.K. Jasani for the respondent.

CORAM : F.I. REBELLO &
J.P. DEVADHAR, JJ.

DATED : 16TH JULY, 2007.

P.C. :

1. Admit. Heard forthwith.

2. The issue in this appeal is covered by the judgment of the Supreme Court in the case of Siddheshwar Sahakari Sakhar Karkhana Limited V/s. CIT and CIT V/s. Shri Chatrapati Sahakari Sakhar Karkhana Limited reported in [2004] 270 ITR 1 (SC) as followed by this Court in the case of CIT V/s. Malegaon Sahakari Sakhar Karkhana Limited reported in [2005] 279 ITR 19 (Bom).

3. The question of law as formulated in this appeal reads as under :

Whether on the facts and in the circumstances of the case and in law, the Tribunal is correct in deleting the additions made in the assessment order in respect of the following items -

a]	C.M. Relief Fund	Rs.8,21,191/-
b]	Hutment Fund	Rs.3,63,163/-
c]	Area Development fund	Rs.49,35,459/-
d]	Cane Development fund	Rs.32,94,907/-
e]	Flood Relief fund	Rs.1,57,900/-

4. In view of the aforesaid judgments, insofar as item No.c and d are concerned, the appeal is remanded back to the Tribunal for denovo consideration in accordance with law.

4. Insofar as item Nos.a, b and e are concerned, they are to be treated as ‘not income in the hands of the assessee’.

5. Impugnmed order, to that extent, is set aside. The appeal is partly allowed. There shall be no order as to costs.

(F.I. REBELLO, J.)

(J.P. DEVADHAR, J.)